

IN THE
INDIANA TAX COURT

NO.49T10-9309-TA-70

TOWN OF ST. JOHN, *et al.*,

Petitioners,

v.

STATE BOARD OF TAX
COMMISSIONERS,

Respondents.

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**STATE BOARD'S
EIGHTEENTH MONTHLY REPORT**

This is the State Board of Tax Commissioners' eighteenth monthly report under the Court's order dated May 31,2000,729 N.E.2d 242,247. The report explains the Board's activities during November 2001 to implement the Court's order. The Board's activities during November were concentrated on reaching a contractual agreement providing for the reassessment of Lake County. The Board also adopted a final rule on personal property, received its first request from a computer software vendor to be certified and continued its communications with the assessing community on reassessment issues. An outline of these activities is included as Exhibit A.

New Rule For Personal Property Assessment

The final rule was adopted on November 6th and submitted to the Attorney General for approval on November 9th.

Lake County Reassessment Project

The Board signed a contract with Arthur Anderson LLP to complete a reassessment of Lake County as required by P.L. 151-2001 (I.C. 6-1 -4-32). The contract has been signed by Arthur Andersen and the Board, but has not received statutorily required approvals. On November 27 and 28, Board representatives met with members of the legislature, local government officials and members of the press to discuss the reassessment contract.

This contracted reassessment is for the March 1, 2002 reassessment date. But values will not actually be completed until well into 2003 because of the magnitude of the project. The Board believes it has bargained for the swiftest possible reassessment of Lake County under the circumstances and within the confines of the legislative mandate. Because the reassessment is for the March 1, 2002 reassessment date and the values set will be reflected on 2003 bills, the Board believes that the contract comes as close as possible to complying with the mandate in the Court's order regarding the timing of reassessment.

Before the announcement of the contract, Board officials and attorneys met with counsel for the Town of St. John class to discuss the timing of this reassessment. Class counsel has not informed the Board whether they will object to the contract or its timing. By separate filing, the Board is requesting a conference with the Court to address the timing of the contracted Lake County reassessment.

The Board has been working on the terms of a separate contract to be entered with Manatron Inc., who Anderson has designated to be the computer assisted mass appraisal system provider for the reassessment project.

Lawsuit Challenging Shelter Allowance

The Board hired outside counsel to represent it in the shelter allowance lawsuit. The answer was filed on November 30th. Efforts will be made to expedite this litigation.

New Rule For Assessment Of Utility Owned Property

A proposed rule for the assessment of utility owned property was published in the November 1st Indiana Register. A public hearing on the proposed rule was held on November 29th in the Indiana Government Center.

Continuing Education

Board staff concluded its classes presenting the differences between the 1995 Reassessment Manual and the 2002 Reassessment Manual. The Board's training section began a re-design and updating of its "New Official Training" classes in contemplation of the many new assessors who will be elected during the reassessment. The staff has also been working with assessor associations on continuing education classes to be given at their January conference.

County Survey

The Assessment Division began work on a third follow-up survey of county and township assessors on the progress and status of the reassessment on a county-by-county basis. The Board has concluded that these surveys will be necessary on an ongoing basis in order to adequately monitor reassessment activities across the state. It is anticipated that such surveys will be initiated every two months throughout the reassessment.

Computer Software

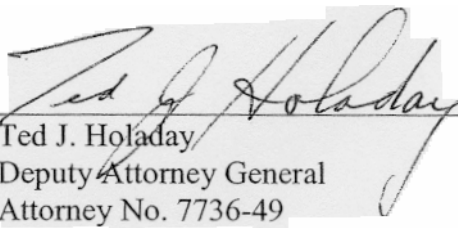
Board operations and assessment staff met with representatives of Appraisal Research Corporation and conducted the first steps in reviewing the computer assisted mass appraisal system for use in Parke County that was submitted for certification by the Board.

Statutory Issues

In the First Monthly Report, the State Board identified statutes with which it will be unable to comply under the timetable for promulgating a new assessment rule. During this month the State Board has identified no additional provisions with which it will be unable to comply.

Respectfully submitted,

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